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Foreign Crops and MARKETS



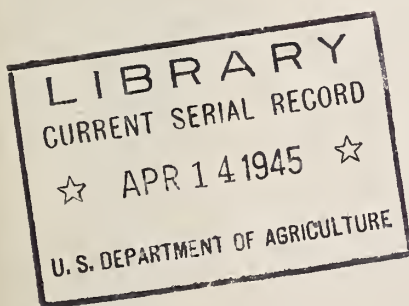
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CEYLON IMPORTANT SUPPLIER OF COPRA DURING WAR YEARS

Ceylon, one of the oldest and best-known coconut-producing areas of the world, has been the principal source of copra and coconut oil for the United Nations since the Japanese overran the other important export areas - namely, the Philippines, the Netherland Indies, and British Malaya. In 1944 Ceylon provided about 55 percent of the total imports of the United Nations and neutral countries. This year the percentage is expected to be lower on account of decreased production in Ceylon and larger supplies available from other areas.

Following the outbreak of war in Europe, Ceylon's coconut industry suffered a severe setback. Most of the European countries that had been important markets were occupied by Germany. Belgium, the chief outlet for copra cake, passed out of the import picture. The United Kingdom turned to other Empire sources for its supplies of fats and oils, because of the high level of Ceylon prices. Exports of coconut oil were 50 percent less in 1940 than the preceding year. Much larger exports to India in 1940 than in previous years helped to alleviate the situation considerably. Loss of markets and drought reduced coconut production in 1940 to only 102 million pounds, compared with 176 million in 1939.

After the Japanese invasion of the Southwest Pacific and the consequent loss of sources of supply in that area, the situation of the industry in Ceylon was radically altered and brightened. Instead of having a limited foreign market, a demand developed shortly for all the copra and coconut oil that could be produced. For a number of reasons, however, this island was able to increase the production only slightly during 1942 and 1943. In 1944 production declined, and the outlook for 1945 is for no improvement.

One of the most important factors that has curtailed the utilization of coconuts for copra and oil has been the domestic food situation. Although Ceylon is a predominately agricultural country, it normally imports approximately two-thirds of its foodstuffs from abroad. The two most important items have been sugar and rice. Many of the surplus producing areas of these commodities were invaded during the early months of the war in the Pacific. As a consequence, sugar and, especially, rice have been in decreasing supply and under strict rationing.

Other foodstuffs have likewise been in tight supply and have advanced in price. As a result of this situation, consumption of fresh coconuts as food has steadily risen. In this commodity only a nominal price rise has occurred. The normal rate of consumption for food is estimated to range from 500 to 700 million fresh coconuts per year. By 1943, however, consumption had risen to approximately 800 million, and by 1944 to 935 million. This latter figure amounts to about 47 percent of the total 1944 production of 1.9 billion coconuts. Unless supplies of rice are increased during 1945, which does not appear probable in view of the tight world situation in this commodity, consumption of fresh coconuts is expected to increase further this year.

Exports of fresh coconuts have shown a marked rise since 1942, when 4.9 million nuts were exported to neighboring countries. In 1943 some 19.8 million moved out of Ceylon, and about 23.6 million coconuts were shipped during 1944, practically all of which went to India. Approximately an additional 5 percent of all the copra exported from Ceylon in 1944 could have been made from the fresh coconuts exported that year.

During the war keen competition for labor has prevailed. Shortages of manpower have been reported in several industries. Prime importance has been placed on rubber production, the industry employing more help than previously. War activities on the island have absorbed a large portion of the native labor. Workers also have left the coconut plantations for better-paying jobs in producing other tropical crops. Wage adjustments for coconut workers have taken place, and a new minimum-wage level this spring is likely.

Shipping facilities of copra and coconut oil for exportation have been short at times, resulting in a corresponding slow

movement of supplies to the ports. Tank storage capacity is limited and has not always been ample to take care of all the oil expressed by crushers. A limited supply of steel drums has made it necessary for tankers to transport most of the oil. To ease the above situation, the construction of additional storage tanks is under way. Also, a new floating pipe line to facilitate loading will be completed in the fall of 1945.

Total copra production in 1944 was estimated at 228,000 short tons, compared with about 300,000 tons in 1943. Approximately 35,000 tons of copra were consumed domestically in 1944, which yielded about 22,000 tons of coconut oil. This was a little higher than the amount consumed in 1943. Domestic consumption of coconut oil was about 31 percent of all the oil produced in Ceylon in 1944. Approximately one-half of the 1944 copra production was crushed for oil, and the remaining amount was exported as copra. Total domestic consumption of coconuts for food and oil is currently averaging about 1 billion nuts, or more than 55 percent of the coconuts produced. The pre-war average was about 40 percent of the total production.

The fixed price for copra is currently set at 59 rupees per candy of 560 pounds (3.17 cents per pound). The price of coconut oil (white) was fixed at 425 rupees per long ton (5.72 cents per pound) throughout 1943. It was raised to 438.33 rupees (5.89 cents) during 1944. The income of the producers has further increased since April 1944 through the distribution of refunds by the Government of India from copra and coconut oil shipped to that country. Coconut producers are renewing their demands for price increases, due to the rise in the cost of production and price increases granted to tea and rubber producers early in 1944.

Production of coconuts in Ceylon has been declining slowly for the past decade. Growing senility of producing palms, failure to replant, and limited use of fertilizers, especially in the past 5 years, are reported to be the contributory causes. Ceylon is generally spoken of as the model coconut-producing country, however, with some of the

most advanced methods of cultivation. Accurate data relative to production are not available; however, the consensus is that Ceylon has about 1.1 million acres planted to coconuts, or about 12 to 14 percent of the total world area commercially producing this crop. The present yield per acre is estimated to average about 1,800 coconuts. During the 1930's the number of coconuts produced was believed to have run about 2 to 2.2 billion, declining to the lower figure toward the end of that period. Since 1940, production is reported to have run slightly less. In 1943, production was estimated at 2 billion coconuts, and in 1944 it was slightly less.

The commercial coconut industry of Ceylon had its beginning about 1840, when European planters began to set out sizable acreages. By 1860 an estimated 280,000 acres had been planted, in 1890, 750,000 acres, and by 1905 about 990,000 acres. During the past decade there has been practically no new planting. The coconut industry of Ceylon is reasonably well organized, and the copra produced is recognized as being one of the best grades in the world. Two organizations, the Ceylon Coconut Board and the Coconut Research Scheme, were established several years ago to help the industry. The first organization deals with the marketing of coconuts produced, and the second was established to do scientific research.

Ceylon probably utilizes the coconut to a greater extent than most countries to produce a number of byproducts. From the outer husk, a fibre called coir is produced, and has widespread use in the manufacture of mattresses, door mats, and brushes. It is also used in upholstery. Most of the coir is defibered by machinery and retted in water for several months before it can be processed. Coconut shells are employed in the making of charcoal for gas masks and other industrial purposes. Its production, however, has decreased in the past few years. Desiccated coconut has been an important byproduct, and before the war Ceylon was one of the important suppliers of this commodity. The Coconut Research Scheme has been experimenting with the production of

acetic acid from coconut shells, with good success. Poonac, or copra cake, was an important export commodity. It was imported extensively by northern European countries

for use as a livestock feed. During the pre-war years, 10 to 14 percent of the total income of the coconut producers was derived from the sale of these byproducts.

Douglas M. Crawford

CANADIAN FLAXSEED PRODUCTION REDUCED; OTHER OILSEEDS INCREASED

Total production of oilseeds in Canada was lower in 1944 than that of a year earlier, due to a 55-percent reduction in flaxseed acreage. The soybean, sunflower-seed, and rapeseed crops, however, exceeded those of 1943. While these crops are small in proportion to flaxseed, they are an important contribution to Canada's vegetable-oil supply.

CANADA: Production of specified oilseeds, 1944 with comparisons

YEAR	FLAX- SEED	SOY- BEANS	SUN- FLOWER SEED	RAPE- SEED
	: 1,000 : bushels	: 1,000 : bushels	: 1,000 : bushels	: 1,000 : bushels
Average	:	:	:	:
1937-1941	: 2,583:	: 206:	: a/	: a/
1942	: 14,992:	: 925:	: a/	: a/
1943	: 17,911:	: 569:	: 5,303:	: 2,823
1944	: 9,668:	: 682:	: 8,500:	: 6,600

Compiled from official sources.

a/ Not reported prior to 1943.

Canadian flaxseed production, amounting to 9.7 million bushels in 1944, was notably below that of the previous year, when the outturn was 17.9 million bushels, the largest since 1912. Farmers in the Prairie Provinces, where approximately 97 percent of the crop was produced, had marketed about 6.5 million bushels during the first 5 months of this season (August-December).

Crushings in the same period amounted to 1.6 million bushels. The supply for the 1944-45 marketing year will not permit a volume of exports comparable to those of last season. If allowance is made for sufficient seed to plant 3 million acres, should such a program be recommended to producers, and if domestic crushings total 5 million bushels, less than 2.5 million bushels will be available for export from January 1 to July 31, 1945, or for a carry-over on the latter date.

CANADA: Flaxseed supply and utilization, 1944-45 with comparisons

UTILIZATION	AUGUST-JULY		
	: 1942-43 :	: 1943-44 :	: 1944-45 :
	: Million :	: Million :	: Million :
	: bushels :	: bushels :	: bushels :
Carry-over, July 31:	1.0	3.7	3.6
New crop	15.0	17.9	9.7
Total supply	16.0	21.6	13.3
Exports	5.2	10.0	b/3.1
Available for	:	:	:
domestic use	10.8	11.6	10.2
Domestic disposition	:	:	:
Dockage	2.0	2.7	1.4
Crushings	3.6	4.7	5.0
Seed	1.5	.6	c/1.5
Total	7.1	8.0	7.9
Carry-over end of	:	:	:
year	3.7	3.6	d/2.3

Compiled from official sources.

a/ Preliminary estimates of Dominion Bureau of Statistics.

b/ August 1 to December 31.

c/ Assuming 1945 area of 3 million acres.

d/ Balance for export or carry-over July 31, 1945.

Canada's price for 1944-45 flaxseed, basis No. 1 in store Fort William or Vancouver, is \$2.75 per bushel, Canadian currency. According to a recent announcement by a Government official, there will be no increase for the 1945 crop. In an effort to meet the United Nations requirements of flaxseed the United States has appropriated \$30,000,000 to encourage farmers to expand acreage in 1945.

**CANADA: Flaxseed stocks, February 23, 1945,
with comparisons**

LOCATION	1944	1945
	: 1,000	: 1,000
	: bushels	: bushels
Western elevators -		
Country elevators	928	1,212
Interior and private mill :		
elevators	137	168
Interior terminals	1,752	228
Fort William - Port Arthur :	4,392	2,227
Eastern elevators -		
Lake ports	172	95
St. Lawrence ports	52	1
Storage afloat	-	98
United States -		
Lake ports	803	-
Afloat	116	433
In Transit -		
Western division	344	182
Eastern division	195	67
Total	8,891	4,711

Board of Grain Commissioners for Canada.

The 1944 soybean production, as previously estimated, is 681,820 bushels as compared with 569,100 a year earlier. There was little change in acreage from 1943, the higher outturn being attributable to a better yield per acre. Commercial production of beans was confined to the Province of Ontario, although 5,000 bushels were produced in Manitoba.

Soybean deliveries have been very satisfactory; 64 percent of the commercial crop was marketed between August 1 and January 31 compared with 59 percent for the entire season of 1943-44. In 1944, Canada's domestic supply was supplemented by the importation of 280,000 bushels of soybeans and 5,772,000 pounds of soybean oil from the United States.

The maximum price of soybeans in Canada has been fixed at \$2.15 per bushel, in bulk, for No. 1 or No. 2 grades at Toronto, Winnipeg, Lethbridge, or Vancouver. On October 27, 1944, discounts were established for each 1 percent of moisture content above 14 percent.

Canadian rapeseed production, amounting to 6.6 million pounds in 1944, was concentrated in the Province of Manitoba, where 65 percent was grown. Saskatchewan ranked second, and smaller quantities were produced in Ontario and Alberta. During the first 6 months of the current season (August-January), the Canadian Wheat Board purchased approximately 2.7 million pounds of rapeseed from the western crop. This does not represent total deliveries during the period, however, as crushing firms in western Canada have purchased seed directly for their own use.

Although more than 260,000 pounds of rapeseed have been delivered by producers in Ontario, this is not a sufficient volume to permit economical crushing. Mills have not yet started to process this year's crop; however, operations are expected to start very soon. Should the 1944 crop prove as large as now estimated, it will provide the major source of supply for domestic use during the current crop year. The price fixed by the Government is 6 cents per pound, with discounts for excess moisture content and admixtures of mustard.

The Agricultural Program calls for 20,000 acres of rape in 1945, allocated on the basis of 12,000 in Manitoba, 6,000 in Saskatchewan, and 2,000 in Alberta. Assuming that an average yield of 750 pounds per acre is realized in Manitoba and 400 pounds in Saskatchewan and Alberta the total yield in 1945 will be approximately 12.2 million pounds.

Commercial production of 8.5 million pounds of sunflower seed in 1944 was confined to the Provinces of Manitoba and Saskatchewan. Receipts of seed at country elevators totaled 4.9 million pounds during August-January. The Canadian Wheat Board has purchased the greater part of this seed, although some goes to commercial seed houses in the Prairie Provinces. The Board has purchased all sunflower seed offered to it at a price of 5 cents per pound for No. 1 C.W., delivered f.o.b. shipping points named by the Board. In addition to the sunflower-seed oil produced from seeds grown in Canada, imports averaged 21 million pounds during the 3 years, 1942-1944.

Regina H. Boyle

LATE COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS, AND FEEDS

CANADA MAINTAINS MINIMUM GRAIN PRICES; LIMITS WHEAT MARKETINGS

The Canadian Government's 1945-46 grain program provides for the continuance of the Wheat Board's guaranteed prices on wheat, oats, and barley and a definite limitation of wheat marketing. Total marketings are to be confined to the amount that can be delivered under the limitation of the individual growers' quotas (14 bushels per authorized acre), according to the announcement of the Minister of Trade and Commerce. The initial wheat price remains at \$1.25 per bushel, basis No. 1 Northern in store at Fort William-Port Arthur or Vancouver. Growers will again receive participation certificates entitling them to share in marketing profits.

The principal point of difference from last year's program was the announcement that the price guaranty will apply to only the part of the crop marketed under the quota stipulated. During the 1944-45 season the limitation of 14 bushels per acre was modified and the marketing quota finally lifted entirely.

The announced policy of limiting marketings for the coming season to the level stated is in line with the Government's request that growers reduce wheat seedings in favor of barley and oats. The outlook for feed requirements this season is considered more pressing than for wheat, in view of the large stocks of wheat now on hand. The suggestion was that spring wheat area be reduced considerably below last year's acreage, which had been sharply increased to over 23 million acres.

The Government has acquired a new stock of "Crown" wheat for Mutual Aid purposes, purchased from the 1943-44 and 1944-45 crops at commercial prices. It was pointed out that this will permit the closing out of the 1943-44 wheat account before the beginning of the new crop year - August 1.

It also assures a payment on participation certificates for that crop.

The present program for oats and barley is to be continued into 1945-46. Minimum prices of 45 cents per bushel for oats and 60 cents for barley, basis top grades at the Lakehead, are again guaranteed. Advance equalization payments of 10 cents per bushel on oats and 15 cents on barley will again be paid at the time of delivery, making the guaranteed minimums, in effect, 55 and 75 cents, respectively, for top grades of oats and barley.

CHILEAN GRAIN CROPS NEAR 1943 LEVEL

The 1944 wheat crop in Chile is about 4 percent smaller than in 1943, while the production of oats and barley is slightly larger than last year's harvest, according to the first forecast. The wheat crop is placed at 34.5 million bushels compared with 35.9 million a year ago. Requirements for 1945 are placed at almost 34 million bushels. Trade sources suggest that the first forecast may not reflect the full extent of damage late in the season.

The acreage seeded to wheat was slightly larger than the acreage for the 1943 crop, but severe attacks of rust reduced yields somewhat. Damage was reported to be serious in the north central zone, and some damage was also reported in the south central area. Drought conditions and above-normal temperatures hastened the ripening of the crop in some areas, especially in the southern zone, according to reports.

The production of oats is placed at 8.8 million bushels, or about 12 percent larger than in 1943. As a result of the favorable prospects, the export of 20,000 metric tons (about 1.4 million bushels) of oats has been authorized. Exports of that size would be the largest reported since 1941.

The barley outturn is placed at around 3.6 million bushels, according to the first forecast. The current estimate is about

the same as the 1943-44 harvest and also approximates the average for recent years.

CHILE: Grain production,
1944 with comparisons

YEAR	WHEAT	OATS	BARLEY
	: 1,000	: 1,000	: 1,000
	: bushels	: bushels	: bushels
Average 1938-39 to			
1942-43	31,221	6,207	3,668
1943-44	35,942	7,865	3,514
1944-45 a/	34,527	8,823	3,602

From official sources. a/ Preliminary.

VEGETABLE OILS AND OILSEEDS

**ARGENTINE SUNFLOWER-SEED ACREAGE
REVISED UPWARD**

According to the second official forecast for 1945, the area sown to sunflower seed in Argentina is placed at 3,760,000 acres, representing an increase of 2 percent over the first forecast. The corresponding estimate for last year was 3,856,000 acres. Trade estimates for 1945 production range from 770,000 to 990,000 short tons.

**PARAGUAYAN GOVERNMENT ESTABLISHES
MINIMUM PRICES FOR OILSEEDS**

On January 16, 1945, the Paraguayan Government issued a decree establishing minimum prices for soybeans and sunflower seed from the 1944-45 crops. Prices apply to oilseeds delivered in containers in the purchaser's warehouse, Asuncion. The decree states that the Banco Agricola del Paraguay will purchase products that cannot be sold elsewhere at the established price.

PARAGUAY: Minimum price per 100 pounds
of specified oilseeds, 1944-45
with comparisons a/

KIND OF OILSEED	1941-42	1942-43	1943-44	1944-45
	: Cents	: Cents	: Cents	: Cents
Soybeans ...	1.76	3.67	1.76	1.76
Sunflower	:	:	:	:
seed	-	1.91	2.06	1.76

American Embassy, Asuncion. a/ Converted at rate of 32.4 United States cents = 1 guarani.

COTTON AND OTHER FIBERS

**WEEKLY COTTON PRICES
ON FOREIGN MARKETS**

The following table shows certain cotton price quotations on foreign markets, converted at current rates of exchange.

COTTON: Price of certain foreign growths
and qualities in specified markets

MARKET LOCATION, KIND, AND QUALITY	DATE: 1945:	PRICE PER POUND
		Cents
Alexandria (spot)	:	:
Ashmouni, F.G.F.	3-1	30.06
Giza 7, F.G.F.	3-1	32.99
Karnak, F.G.F.	3-1	32.36
Bombay (March futures)	:	:
Jarila	3-2	17.27
Bombay (spot)	:	:
Kampala, East African	3-2	32.66
Buenos Aires (spot)	:	:
Type B	3-3	14.72
Lima (spot)	:	:
Tanguis, Type 5	3-3	15.47
Recife (spot)	:	:
Mata, Type 5	3-2	12.68
Sertao, Type 5	3-2	13.50
São Paulo (spot)	:	:
São Paulo, Type 5	3-2	13.42
Torreón (spot)	:	:
Middling, 15/16"	3-3	18.01

Compiled from weekly cables from representatives abroad.

**COTTON CROP IN IRAQ
SLIGHTLY HIGHER**

The 1944 cotton crop in Iraq is estimated at 5,000 bales (of 478 pounds net) compared with 3,000 bales in 1943 and a 1937-1941 average of 16,200 bales. Cotton acreage was restricted by a decree of March 12, 1942, to 25 percent of the 225,000 acres planted the year before. The restriction was intended to permit a greater production of food crops. High prices for food crops caused an even greater shift from cotton in 1942 and 1943 than was anticipated.

There is no cotton-mill industry in Iraq, and nearly all the crop is usually

exported. During the war years most of Iraq's cotton has been exported to Iran. Stocks of cotton from previous crops still held by Iraq's three ginneries at the end of November 1944 were equivalent to 2,250 bales (of 478 pounds net). No cotton from the 1944 crop had been ginned at that time. Prices of cotton were reported to be at a favorable level, although no quotations were noted. Cotton materials, particularly clothing items, are exceptionally scarce, and second-hand clothing is in strong demand.

TOBACCO

SOUTHERN RHODESIA INCREASES PRODUCTION OF TURKISH TOBACCO

The 1944-45 crop of Turkish leaf tobacco in Southern Rhodesia may reach a record 5,000,000 pounds, or more than double the estimated 1943-44 outturn of 2,300,000 pounds. Production during the 5 years 1938-39 through 1942-43 averaged 1,256,000 pounds.

The cultivation of Turkish leaf in Southern Rhodesia was begun before World War I, but for many years the output remained fairly constant at about 300,000 pounds, just sufficient to meet the requirements of South African tobacco manufacturers for this class of leaf. During the middle 1930's, however, demands from overseas encouraged growers to expand their acreages, and since the beginning of the present war production has shown a steady increase.

The United Kingdom supplanted the Union of South Africa as the principal market for Southern Rhodesian Turkish leaf during the immediate pre-war years. Exports to the Union ceased entirely in 1939, because of the latter's refusal to continue a 200,000-pound duty-free import quota. Although exact data are not available regarding exports since 1941, reports indicate that larger exports to the United Kingdom, the United States, and Canada have more than offset the loss of the nearby South African market. Southern Rhodesian growers have become particularly interested in the large potential demand from United States manufacturers.

SOUTHERN RHODESIA: Exports of Turkish leaf tobacco, by country, 1938-1941

COUNTRY OF DESTINATION	1938	1939	1940	1941
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
United Kingdom ..	461	509	464	179
Union of South ..	:	:	:	:
Africa	194	0	0	0
Canada	9	0	49	142
United States ..	0	0	244	179
Argentina	5	0	0	68
Belgium	12	0	0	0
Netherlands	18	0	12	0
Others	24	15	0	6
	:	:	:	:
Total	723	524	769	574
	:	:	:	:

From consular sources.

FRUITS, VEGETABLES, AND NUTS

CITRUS PRODUCTION INCREASES IN FRENCH MOROCCO

Production of all citrus fruits in French Morocco for the 1945-46 season may reach 2,362,000 boxes. This would be an increase of 30 percent over the 1944-45 crop of 1,811,000 boxes. Oranges constitute approximately 75 percent of the total crop. Moroccan oranges can be compared favorably with almost any of the varieties grown in the United States. The clementine, which constitutes about 15 percent of the remainder of the crop, is a cross between the tangerine and the bitter orange. It resembles the tangerine but matures earlier and has few or no seeds. The balance of the crop is made up of tangerines, grapefruit, lemons, and pomelos. Citrus trees in 1938 totaled 1,500,000 and have now increased to about 2,500,000.

Because of shortages of many food products normally available, and the lack of transport facilities, exports of citrus fruits have decreased, although there has been an increase in production. Before the war, most of the citrus fruits went to France and Algeria. Purchases for American Army consumption have been around 60,000 boxes annually since 1942.

CITRUS FRUIT: Production in French Morocco,
1940-41 to 1944-45

SEASON	ORANGES	CLEMEN- TINES	OTHERS	TOTAL
	1,000 boxes	1,000 boxes	1,000 boxes	1,000 boxes
1940-41	1,172	234	156	1,562
1941-42	1,302	260	174	1,736
1942-43	1,419	284	189	1,892
1943-44	1,122	224	150	1,496
1944-45	1,358	272	181	1,811

Estimated at rate of 75 percent of crop for oranges; 15 percent clementines; and the remainder, miscellaneous citrus.

**ARGENTINE APPLE AND PEACH CROPS INCREASED;
MOST OTHER FRUITS DECREASED**

Production of apples in Argentina for the 1944-45 season is estimated at 6,880,000 bushels. The crop this season is the largest on record, being 20 percent over last season's, and 4 percent more than that for 1942-43, the previous record crop.

Production of pears in the 1944-45 season is estimated at 5,082,000 bushels. This is 4 percent below the production of 5,280,000 bushels in the previous season, and 16 percent below the record crop of 6,045,000 bushels in 1942-43. Grape production is estimated at 179,000 short tons, or 35 percent below last year's crop of 278,000 tons, and is the smallest crop in the past 5 years. The estimate for peaches is 6,113,000 bushels, a 38-percent increase.

ARGENTINA: Production of specified fruits.
1940-41 to 1944-45

SEASON	APPLES	PEARS	GRAPES	APRICOTS
	1,000 bushels	1,000 bushels	1,000 short tons	1,000 short tons
1940-41 ...	4,111	4,352	231	a/
1941-42 ...	3,904	3,219	229	8
1942-43 ...	6,632	6,045	262	14
1943-44 ...	5,746	5,280	278	8
1944-45 ...	6,880	5,082	179	9
	PEACHES	QUINCES	PLUMS	CHERRIES
1940-41 ...	4,151	689	22	1
1941-42 ...	2,866	657	14	6
1942-43 ...	6,758	920	32	8
1943-44 ...	4,436	801	27	5
1944-45 ...	6,113	744	27	2

Official sources. a Not available.

POTATO PLANTINGS REDUCED IN BELGIUM

Potato plantings in Belgium for 1945 probably will be somewhat less than in 1944. This is due to shortages of seed and fertilizer and to the fact that the Government has not accorded as large a price increase to potatoes as to other farm products. Production in 1944 was estimated at 78,700,000 bushels, a decrease of 6 percent from the crop of 83,400,000 bushels in 1943 and 36 percent below the crop of 122,100,000 bushels in 1939. Decrease in production was due principally to smaller plantings. Acreage planted in 1944 was estimated at 254,000 acres, 11 percent below the 286,500 acres planted in 1943 and 30 percent below 1939.

Per capita consumption before the war was around 2 pounds per day and production was sufficient to supply more than this for the entire population. During 1940, 1941, and 1942, production was only half enough for ration needs, and turnips and rutabagas were distributed against the potato-ration stamps. Because of a small crop in 1940, Government procurement amounted to only 3,860,000 bushels, but was about 13,000,000 in 1941. Consumers were allowed to negotiate contracts directly with farmers in 1942, and only 25,700,000 bushels were needed to meet the rations of those without contracts.

Procurement of potatoes in the 1944-45 season has amounted to around 20,760,000 bushels, 44 percent below the entire amount procured in the previous season. About 9,180,000 bushels will be needed to meet current basic and special rations until June, when the new crop comes in. This shortage was caused by transport difficulties, a very cold winter, and a short crop. About 3,700,000 bushels are still available, but the apparent shortage is around 5,500,000 bushels, which may make it necessary for imports of about 35,000 tons.

Belgium imported 5,860,000 bushels of seed potatoes from Germany and the Netherlands in 1943 and 4,402,000 bushels in 1944. This year efforts are being made to obtain around 367,000 bushels from the Netherlands and 1,102,000 bushels from England. The latter is to be imported by the Armed Forces to offset, on a bushel-for-bushel basis, Belgian potatoes consumed by the Armies.

LIVESTOCK AND ANIMAL PRODUCTS

UNITED KINGDOM ANNOUNCES PRICE INCREASES FOR LIVESTOCK PRODUCTS

In accordance with the plan adopted earlier for reviewing in February each year the fixed prices for agricultural commodities, the British Ministry of Agriculture has announced the following changes in existing prices for principal livestock items.

For the year beginning July 1, 1945, prices for fat cattle will be adjusted so as to increase the over-all average price by 45 cents per hundred pounds, live weight. The announced increase for fat sheep and lambs is \$1.26 per hundred pounds, dressed weight, and that for fat pigs \$1.01 per hundred, dressed weight. For the same period the price of eggs has been increased by 3.36 cents per dozen. The price from May 10, 1944, has been set at approximately 62 cents per dozen for eggs sold by producers to licensed buyers or packers.

Milk prices for the year beginning April 1, 1945, are to have an over-all increase of approximately 1 cent per United States gallon, plus the bonus, now in effect, of 5 cents per gallon for milk from tuberculin-tested cows. The present fixed price for milk is 41.6 cents per United States gallon, including the bonus.

Prices for top-grade fat cattle during the past season have ranged from \$13.00 to \$14.40 per hundred pounds, live weight. For fat pigs weighing 240-260 pounds, dressed weight prices have approximated \$22.70 per hundred pounds during the current season. Top-grade lambs have ranged from \$27.75 to \$32.75 per hundred pounds, dressed weight.

URUGUAYAN WOOL MARKET MORE ACTIVE

Large exports of wool since October 1 have improved the wool situation in Uruguay. Although the exportable surplus for the season was estimated to be larger than in 1943-44, due to a heavier carry-over, large shipments during the first 4 months have reduced the apparent surplus for export as of February 1, so that now it is smaller than on the same date of the 2 preceding years.

Apparent supplies for export for the remainder of the season are estimated at 131 million pounds as of February 1. These supplies are 15 percent below those of a year earlier. Exports during the first 4 months of the season (October - January) totaled 73 million pounds, which was an increase of 81 percent above those of the corresponding period of 1943-44. Shipments to the United States totaled 69 million pounds, compared with only 38 million pounds a year earlier. Most of the wool purchased by the United States Government through the Defense Supplies Corporation from the 1941-42 and 1942-43 wool clips has now been shipped. Out of the total quantity shipped to the United States so far this season, 21 percent was wool owned by the United States Government.

A decrease in apparent supplies for export has occurred, despite the fact that receipts of current-clip wool in Uruguay during the first 4 months exceeded those of the three preceding seasons. A more favorable shipping situation and higher prices have combined to encourage earlier marketing of the wool clip. Receipts during the first 4 months this season were about the same as in 1940-41, when the wool clip reached 139 million pounds. The current estimate for this season is 136 million pounds.

BRAZIL ENCOURAGES DOMESTIC WOOL PRODUCTION AND CONSUMPTION

Brazil has recently taken several steps designed to encourage the consumption of domestic wool in the interest of securing better prices for the producer. In May 1944 imports of raw foreign wools were discouraged by making imports subject to license. In November the licensing procedure was extended to include semimanufactured wool, such as wool tops and noils, and also carded, combed, and otherwise prepared wool. On December 4, import duties on raw wools and woolen yarns were doubled.

Early in 1945 the Government gave further impetus to the industry by authorizing the financing of the 1944-45 wool clip at 80 percent of 200 cruzeiros per 15 kilograms (25 cents per pound) for superior merino fleece as classified in Decree Law No. 7197,

of December 27, 1944. Loans on other types are to be made on the basis of their value in relation to that type.

This financial operation will enable producers to hold their wool for better prices, and will be conducted by the Agricultural and Credit Department of the Bank of Brazil through legally constituted wool-producer organizations and cooperatives that exist or that may come into existence. Loans will be granted only on wools delivered, duly classified and baled in accordance with this latest Decree Law. Such wool will include shearings in the northern zone in the season beginning July 1, 1944, and in the southern zone in the season beginning October 1.

Imports of raw wool have increased from less than a million pounds in 1938 to 14 million pounds in 1943. These imports were believed by Brazilian authorities to have depressed the price of domestic raw wool. This price has risen only 20 percent during the war, whereas other commodities have risen much more. The price of domestic wool is normally based on the world market quotations for comparable grades plus an approximate import duty of 4.7 cents a pound. Under date of November 4, 1944, the duties on raw wool and yarns were doubled. The new duty on raw wool ranges from 6.6 to 8.0 cents per pound, according to grade.

**BRAZIL: Exports and imports of raw wool,
1937-1943**

YEAR	EXPORTS	IMPORTS
	1,000 pounds	1,000 pounds
1937	6,396	551
1938	11,839	922
1939	8,018	2,959
1940	7,965	895
1941	8,232	3,146
1942	337	8,589
1943	0	14,352

Compiled from official sources.

With imports of wool yarns and cloth largely cut off meanwhile by the war, the Brazilian wool textile industry has been stimulated. Prior to 1935, very little yarn of the worsted type was produced in Brazil. The domestic wool was either used for making woolen yarn or was exported. Since 1935

there has been a gradual increase in the use of domestic wool. The trade in imported yarns, however, was still of considerable importance at the beginning of the war.

Brazil vies with Chile at the third largest wool-producing country in South America, with total production ranging from 35 to 40 million pounds, but these countries produce a relatively small quantity compared with Argentina and Uruguay. Excepting in the uplands of the southernmost part, any large expansion of the sheep industry would seem to be precluded on account of the predominately tropical Brazilian climate.

**SOME TIBETAN CARPET WOOL
NOW SHIPPED TO THE UNITED STATES**

Since October 1944, under a modification of the War Production Board embargo, exports to the United States of Tibetan carpet wool have been permissible, provided that the shipments should not interfere with military operations in India. For the 4 months, October-January inclusive, this movement to the United States has totaled 1,500,000 pounds. January shipments, reported at 887,000 pounds, were larger than in any other month, and represented contracts concluded by United States purchasers in November and December. More wool is available for export, as the Tibetan wool clip is estimated roughly at 10 million pounds. Consumption in India probably does not exceed 3 million pounds annually, even with the increased wartime consumption of this wool.

Tibetan wool is being mixed with Indian wool for the manufacture of woolen clothing, its use being permitted by a modification of the Indian Army clothing standards because of a general shortage of wool of suitable types. Before the war, about 70 percent of the Tibetan wool exported was consumed in the United States.

Normally, shipments of wool from Tibet are made from the source of supply to Kalimpong in India by mule transport and from there are moved by rail to Siliguri and thence to Calcutta. As the United States import permits stipulated that the wool was not to be railed to Siliguri, the only alternative has been to move wool by bullock

carts, which has proved inadequate. Also, mule owners transporting wool to Kalimpong are obtaining no return freight from Kalimpong to Tibet at present, and thus they are charging very high pack rates for wool. Because of these and other transportation difficulties, such as low priority on the railroads, there has been some delay in wool shipments.

BUTTER AND CHEESE PRODUCTION DECLINES IN THE UNION OF SOUTH AFRICA

Butter production in the Union of South Africa in 1944 showed a drop of 13 percent from the previous year. This decrease was the result of a lower output from April through September. Production in the first quarter of 1944 had greatly exceeded that of the corresponding 3 months of 1943, but this increase was not maintained. Some increase occurred in the amount of butter manufactured in the last quarter of 1944, but it was not sufficient to offset the sharp decline that had occurred earlier.

Butter production in 1944 totaled 39 million pounds, in contrast to 45 million pounds in 1943. As a result of this reduced output, and the high rate of butter consumption in the Union, the accumulation of reserve supplies was impossible. On January 1, 1945, stocks of butter amounted to only 1,648,000 pounds, as compared with 3,707,000 pounds at the beginning of 1944. A serious butter shortage in the Union in 1945, much worse than that of the past year, is anticipated by dairy authorities. To meet this emergency, the Government has ratified a plan to manufacture a high-grade margarine at factories located at Capetown, Johannesburg, and Durban. The output of each plant will be approximately 5 million pounds a year.

The Union of South Africa manufactures Cheddar, Gouda, and other types of cheese. Their production throughout 1944 was below that of 1943, and total output for the year amounted to 15 million pounds, which is 2 million pounds below the quantity produced in 1943.

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